

Arizona Department of Insurance

Laws 2004, Chapter 162 (House Bill 2232) Clarification of Continuing Education Requirements

The purpose of this document is to clarify when licensees must fulfill continuing education requirements relative to the change provided in House Bill 2232.

Before House Bill 2232	After House Bill 2232
Prior to the enactment of House Bill 2232, Arizona Revised Statutes ("A.R.S"). § 20-2902(A) required a resident insurance producer who holds a nonresident license to transact insurance in another state biennially complete for each license period between 20 and 30 credit hours of continuing education.	House Bill 2232 changed A.R.S. § 20-2902(A) by requiring 20 credit hours of continuing education to be completed by a resident insurance producer who, at any time during the expiring license period, held a nonresident license to transact insurance in another state. This law change is effective January 1, 2005.

Prior to House Bill 2232, some Arizona-resident insurance producers canceled nonresident licenses in other states to circumvent Arizona continuing education requirements, and then reapplied for the nonresident licenses after the Arizona-resident license was renewed. House Bill 2232 prevents this from happening relative to licenses that expire on or after January 1, 2005.

An Arizona resident insurance producer who renews a license from and after January 1, 2005, AND whose license expires on or after January 1, 2005, must complete CE if, at any time during the license period (before or after January 1, 2005), the licensee simultaneously held a resident license in Arizona and a nonresident license in one or more other states.

For example,

- *Ms. X's license was issued April 15, 2003, and expires April 30, 2005 (therefore, the license expiration is after January 1, 2005).*
- *The Arizona Department of Insurance receives Ms. X's renewal application on February 21, 2005 (again, after January 1, 2005).*
- *Ms. X was simultaneously licensed as an Arizona resident and a Michigan nonresident between May 17, 2003, and July 15, 2003.*

Ms. X must complete 20 credit hours of CE. Although Ms. X did not hold a nonresident license as of the date the Department received her license application, effective January 1, 2005, Arizona law requires an Arizona resident to complete CE if the person is licensed as a nonresident of another state at any time during the expiring license period. In this example, that means at any time between April 15, 2003, and April 30, 2005. The changed CE provision in House Bill 2232 was enacted with a delayed effective date (January 1, 2005) to provide licensees who otherwise would not have been required to complete CE time in which to do so.

This document is not intended to inform the general public of this agency's current approach to, or opinion of, or current practice based upon, the requirements of law or court order. Further, this is not a legal opinion. It is based solely upon the information you provided, and does not preclude appropriate regulatory action based upon actual circumstances as they develop.

**Licensing-related questions should be sent by e-mail to
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